

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Legal Division

San Francisco, California

Date: April 22, 2002

Resolution L-299

RESOLUTION

**RESOLUTION L-299: ADOPTION OF THE LOW INCOME
OVERSIGHT BOARD CHARTER**

SUMMARY

This Resolution adopts a charter establishing the governing structure of the Low Income Oversight Board (LIOB or the Board), which was created by the Legislature in Senate Bill No. 2 from the Second Extraordinary Session (SBX2 2).

DISCUSSION

By SBX2 2, the Legislature established a Low-Income Oversight Board to advise the Commission on low-income electric and gas customer issues and to serve as a liaison for the Commission to low-income ratepayers and representatives.

As set forth in Public Utilities Code Section (§) 382.1, in order to advise the Commission, the LIOB is responsible for the following:

1. Monitor and evaluate implementation of all programs provided to low-income electricity and natural gas customers.
2. Assist in the development and analysis of any assessments of low-income electricity and gas customer need.
3. Encourage collaboration between state and utility programs for low-income electricity and gas customers to maximize the leverage of state and federal energy efficiency funds to both lower the bills and increase the comfort of low-income customers.
4. Provide reports to the Legislature, as requested, summarizing the assessment of needs, audits, and analysis of program implementation.
5. Assist in streamlining the application and enrollment process of programs for low-income electricity and natural gas customers with

general low-income programs, including, but not limited to, the ULTS program.

6. Encourage the usage of the network of community service providers in accordance with Section 381.5.

The November 20, 2002 Assigned Commissioner Ruling in Rulemaking 01-08-027 invited individuals interested in serving as a public member of the LIOB, as well those interested in serving as a representative of a private weatherization contractor, or of an electric or gas utility, to submit resumes, references and letters of interests no later than December 14, 2001. On January 18, 2002, the deadline for submission of resumes, references and letters of interest was extended to February 8 by a subsequent Assigned Commissioner Ruling. The Assigned Commissioner has interviewed those who indicated interest in the positions, and submitted a slate of members at the Commission's second April meeting.

The attached charter establishes the governing structure for the LIOB, consistent with Section 382.1 of the Public Utilities Code. This resolution highlights some of that charter's provisions. The initial term for all board members is two years, although eventually we expect to implement staggered terms. It provides that Board members and members of committees established by the Board may request that the CPUC defend them against claims related acts or omissions that are within the course and scope of services they provide for the LIOB, and sets \$400 per day as reasonable compensation for attendance at LIOB meetings and committee meetings authorized by the Board. It authorizes the Commission's Executive Director to issue letters announcing the termination of member's appointments when a member ceases to be a representative of class or entity upon which membership is based, and to remove members when the Executive Director determines that such removal is in the best interest of the goals of the LIOB.

The draft charter sets forth the duties of Board members, including the obligation to comply with disclosure requirements of the CPUC's conflict of interest code as it applies to the duties of the LIOB. The draft charter makes it clear that LIOB members and meetings must comply with the requirements of the Bagley-Keene Open Meeting Act. Under the terms of the draft charter, the LIOB will have a Chair who presides at meetings and is responsible for general supervision and direction of the affairs of the Board, and a Vice-Chair who performs these duties in the Chair's absence.

It is our desire that with the charter approved the same day as we approve the appointment of those members of the LIOB that the Commission is authorized to appoint, that the Board may immediately turn its attention to the duties prescribed by the Legislature, including review and comment regarding the second phase of the low-income energy program needs assessment initiated by the Commission's Energy Division as directed by the Commission pursuant to Resolution E-3646.

NOTICE AND COMMENTS

Notice

Draft Resolution L-299 was mailed on March 20, 2002 and posted on the Commission's Daily Calendar and served on the Service List for R.01-08-027. The Daily Calendar Notice, and Service List Notice provided that comments concerning the draft resolution could be filed by March 28, 2002, and that reply comments must be filed by April 4.

Comments

Comments were received on _____ from _____.

FINDINGS

1. By SBX2 2, the Legislature established a Low-Income Oversight Board (LIOB) to advise the Commission on low-income electric and gas customer issues and to serve as a liaison for the Commission to low-income ratepayers and representatives.
2. Adoption of the attached charter promotes the goals of the Legislature and of the Commission in establishing the LIOB to advise the Commission on low-income electric and gas customer issues and to serve as a liaison for the Commission to low-income ratepayers and representatives.

ORDER

1. The attached charter for the Low Income Oversight Board is adopted in its entirety.
2. The Executive Director of the California Public Utilities Commission is authorized to remove members of the LIOB when the Executive Director determines that such removal is in the best interest of the goals of the LIOB.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held at the second meeting in April, 2002, the following Commissioners voting favorably thereon:

WESLEY M. FRANKLIN
Executive Director

ATTACHMENT

CHARTER
of the
LOW INCOME OVERSIGHT BOARD

1. ARTICLE ONE: NAME

1.1 Name. The name of this advisory board shall be the Low Income Oversight Board (LIOB or the Board).

2. ARTICLE TWO: PURPOSE

2.1 Purpose of the Board. Pursuant to Sec. 382.1 of the Public Utilities Code, the purpose of the LIOB is to advise the Commission on low-income electric and gas customer issues and to serve as a liaison for the Commission to low-income ratepayers and representatives.

3. ARTICLE THREE: MEMBERSHIP

3.1 Members. The persons serving as members of the LIOB shall begin their term of service on [the date the charter is adopted]. The LIOB shall be comprised of nine members to be selected as follows: Four members selected by the Commission who have expertise in the low-income community and do not work for a state agency or utility company (these four members shall be selected in a manner to ensure an equitable geographic distribution); one member selected by the Governor; one member selected by the Commission who is a commissioner or commissioner designee; one member selected by the Department of Community Services and Development; one member selected by the Commission as a representative of private weatherization contractors; and, one

member selected by the Commission as a representative of an electrical or gas corporation.

3.2 Term of Appointment. LIOB members will be appointed for two-year terms. If for any reason, a member ceases to be a designated representative of the respective class or entity upon which membership is based, the member's appointment shall terminate as of the date that affiliation ceases. The Executive Director shall issue a letter announcing the termination of the member's appointment.

3.3 Removal. LIOB members that are appointed by the Commission may be removed at any time by the Commission's Executive Director when the Executive Director determines that such removal is in the best interests of the goals of the LIOB. The Executive Director shall issue a letter announcing the termination of the member's appointment.

3.4 Resignation. Any member of the Board may resign with written notice to the Commission's Board representative, the Chair of the Board and the Commission's Executive Director.

3.5 Vacancies. Vacancies for positions that are to be appointed by the Commission shall be filled by the Commission.

3.6 Indemnification. Members of the LIOB, as well as members of committees established by the Board to further the work of the LIOB, who are not employed by the Commission or other governmental agencies of the State of California are servants of the State of California within the meaning of Gov. Code § 810.2. Accordingly, Board members may request that the CPUC defend them against claims or actions relating to acts or omissions that are within the course and scope of the services they perform for the LIOB, pursuant to Gov. Code §§ 815 -825.6 and 995 -996.6. The LIOB budget may include the purchase of Errors and Omissions (E&O) and Directors and Officers (D&O) or similar insurance to indemnify Board members for acts done within the course and

scope of services performed for the LIOB, to the extent that such activities are held not to be indemnified by the CPUC under Gov. Code §§ 810.2, 825 - 825.6 and/or 995 -996.6.

3.7 Expenses and compensation Members of the LIOB who are not employees of utilities, the Commission, or other governmental agencies of the State of California shall be eligible for reasonable compensation for attendance at Board meetings and for compensation in accordance with the state guidelines for necessary travel to Board meetings. Reasonable compensation for attendance at LIOB meetings and at committee meetings as described below shall be \$400 for each day of meetings attended by the eligible members or \$200 if the meeting lasts for less than two hours.

If the LIOB establishes a technical advisory committee and/or other committees that further the work of the LIOB, those committee members shall be eligible for reasonable compensation for attendance at committee meetings authorized by the LIOB and for compensation in accordance with state guidelines for necessary travel to committee meetings authorized by the LIOB. LIOB members who are requested by the LIOB to attend committee meetings shall be eligible for reasonable compensation for attendance at committee meetings authorized by the LIOB and for compensation in accordance with state guidelines for necessary travel to committee meetings authorized by the LIOB. There shall be no compensation for preparation work by LIOB board members or committee members.

For each LIOB member and/or member of a committee who is an employee of public entity, trade association, or consumer group, compensation and expense reimbursement related to the member's participation in the LIOB/and or a committee shall go to the member's employer unless the member can show justification for receiving these monies directly.

Eligible Board and/or committee members must seek reimbursement of travel expenses and compensation for attendance at meetings through the CPUC's Travel Expense Claim (TEC) process, which will be reviewed and processed by the Commission.

Board members shall not be eligible to receive intervenor compensation under Pub. Util. Code § 1801 et seq. for their work related to the LIOB.

4. ARTICLE FOUR: DUTIES AND RESPONSIBILITIES

4.1 Duties. The LIOB shall have the following duties and responsibilities.

- a) Pursuant to Public Utilities Code Section 382.1(f)(3), on or before June 1 of each year the LIOB shall submit a proposed budget to the Commission. The proposed budget shall include estimated program expenditures and the Board's projected expenses for the fiscal year (July 1 to June 30) that will commence thirteen (13) months thereafter.
- b) On or before October 1 of each year the LIOB shall submit a report to the Commission describing Board activities during the prior fiscal year.
- c) Pursuant to Section 382.1 of the Public Utilities Code, the LIOB shall advise the Commission regarding the development, implementation, and administration of the Low-Income Energy Programs currently under Commission jurisdiction.

4.2 Administrative and Legal Assistance: The Commission shall assign Commission staff to assist the LIOB for the purposes of providing technical and legal assistance.

4.3 Conflict of Interest Rules. Members of the LIOB and committee members shall comply with the Fair Political Practices Commission Conflict of Interest Code, 2 Cal. Code of Regulations, § 18730. For purposes of applying these rules, all members of the LIOB and its committees shall be defined as "designated employees" required to disclose the following "economic interests:"

Any investment or business position in, or income from, any of the following:

1. An entity seeking to provide any product or service related to the Board's function or that has plans to come before the Board to seek funds from the LIOB's budget.
2. A parent or a subsidiary of an entity seeking to provide any product or service related to the Board's function or that has plans to come before the Board to seek funds from the LIOB's budget.

5. ARTICLE FIVE: MEETINGS AND RECORDS

5.1 General. The LIOB shall act only in the course of a duly noticed meeting. Notification of the date, place, and time of each meeting shall be given to each member and shall be published as required by the Bagley-Keene Open Meeting Act (Gov. Code §11120-11132.) and in the Commission's Daily Calendar at least ten (10) calendar days in advance of the meeting. The Chair of the Board or the CPUC's Board representative shall have the authority to call a meeting. Section 382.1 of the Public Utilities Code requires that the LIOB alternate meeting locations between northern, central, and southern California. The agenda, once published, shall not be revised fewer than ten (10) days prior to the meeting. The LIOB may authorize meetings of committees established to promote the goals of the LIOB.

5.2 Open Meetings. All meetings of the LIOB and of any committees established to promote the goals of the LIOB shall be open to the public and shall be held in accordance with the provisions of the Bagley-Keene Open Meeting Act.

5.3 Quorum and Teleconferencing. A majority of the members of the Board shall constitute a quorum for the transaction of business. The members may be present in person or by conference telephone to the extent consistent with state law regarding open meetings, so long as the place of the meeting is

open to attendance by the public and so long as the meeting is conducted in a way that is consistent with the requirements of Gov. Code § 11123.

5.4 Board Decisions. Each member present shall have one vote. Decisions shall be made by majority vote of those members present as long as a quorum is present at the time of the vote.

5.5 Prohibition on Proxies. Only individuals appointed as members may serve as members of the Board. No alternate, substitute or proxy representation of Board members may occur.

5.6 Public Participation. The LIOB shall provide an opportunity for members of the public to address the Board directly on each agenda item before or during the Board's discussion or consideration of the item.

5.7 Records. A person delegated by the Board shall record and prepare written minutes of LIOB meetings. A tape recording of the meetings may be made. The administrative delegate assigned to the task of preparing the written minutes shall submit them to the Board at its next meeting for review and approval. Written minutes shall: (a) identify the date, time, and place of the meeting; (b) identify the Board members in attendance, and (c) contain a summary of the meeting. Copies of the minutes shall be provided to the Commission or any interested party upon request.

6. ARTICLE SIX: OFFICERS

6.1 Officers. The LIOB shall have a Chair and a Vice-Chair, both of whom shall be members of the Board. These officers shall be elected by the members of the Board to serve a term of one year, and they may be re-elected. An officer shall continue to hold office until a successor has been elected and assumed office. However, if an officer ceases to be a member of the Board, the officer's appointment shall terminate.

6.2 Duties. The Chair shall be responsible for the general supervision and direction of the affairs of the Board. The Chair shall preside at all meetings of the Board. In the absence of the Chair, the Vice-Chair shall perform the duties of that office. If the Chair and Vice-Chair are unavailable for a meeting, the Chair shall appoint a temporary Chair for that meeting. The officers shall perform such other duties as from time to time may be prescribed by the Board.

7. ARTICLE SEVEN: EFFECTIVE DATE AND AMENDMENTS

7.1 Effective Date. This Charter shall become effective on the date it is approved by the Commission.

7.2 Amendments. This Charter is subject to amendment, termination or revocation at any time by order of the Commission.

8. ARTICLE EIGHT: LIMITATION ON POWER AND AUTHORITY

8.1 While the LIOB shall have the power and authority to function consistent with this Charter, and in particular, to carry out the duties and responsibilities specified in Article Four of this Charter, it shall not have the authority to direct Energy carriers to act or refrain from acting. Such authority shall remain solely with the Commission.

8.2 The activities of the LIOB shall be carried out under the Commission's direction, control and approval.